

ORIGINAL

FILED

2018 OCT -3 AM 11:24

CLERK U.S. DISTRICT COURT
CENTRAL DIST OF CALIF.
LOS ANGELES

(a)

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
UNITED STATES OF AMERICA, No. CR EDCR-18-283-JGB
Plaintiff,
v.
SANG CHURL PAIK,
Defendant.

I N F O R M A T I O N

[18 U.S.C. § 152(3): False
Declarations in Bankruptcy]

The United States Attorney charges:

[18 U.S.C. § 152(3)]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Information:

1. Defendant SANG CHURL PAIK, D.D.S. ("PAIK") was a dentist who worked in Moreno Valley, California, within the Central District of California.

2. Donald Woo Lee, M.D., also known as ("aka") "Donald Lee," aka "Donald Woolee" ("Lee"), was a physician who owned, operated, and oversaw several medical clinics within the Central District of California.

1 3. Lee's medical practice was incorporated as Prime
2 Partners Medical Group, Inc. ("Prime Partners"), a corporation
3 registered in the State of California, with its principal
4 address in Temecula, California, within the Central District of
5 California.

6 | B. BANKRUPTCY PROCEEDINGS

At all times relevant to this Information:

8 4. A bankruptcy case was commenced by the filing of a
9 petition in bankruptcy. The person or entity seeking relief
10 from debts was referred to as the "debtor."

11 5. The filing of a bankruptcy petition created a
12 "bankruptcy estate" consisting of all property and assets in
13 which the debtor had any ownership or interest when the petition
14 was filed. The "bankruptcy estate" was administered by a court-
15 appointed trustee.

16 6. On or about September 24, 2013, Lee and his wife filed
17 and caused to be filed a bankruptcy petition under Title 11 of
18 the United States Code entitled "In re Donald Woo Lee, et al.,"
19 case number 13-17920-ES, in the United States Bankruptcy Court
20 for the Central District of California (the "personal
21 bankruptcy").

22 7. On or about November 18, 2013, Lee filed and caused to
23 be filed a bankruptcy petition under Title 11 of the United
24 States Code on behalf of Prime Partners entitled, "In re Prime
25 Partners Medical Group, Inc.," case number 13-19404-ES, in the
26 United States Bankruptcy Court for the Central District of
27 California (the "corporate bankruptcy").

1 8. On or about May 23, 2014, the bankruptcy court entered
2 an order substantively consolidating the corporate bankruptcy
3 with the personal bankruptcy estates (as consolidated, the
4 "Estate").

5 9. In or around January 2015, an agent retained by the
6 court-appointed trustee administering the Estate determined that
7 Prime Partners reported a \$252,000 payment for "catheters."
8 When the agent asked Lee for the invoice supporting this
9 \$252,000 payment, Lee responded that this catheter purchase was
10 made on the "black market."

11 10. The trustee determined that the \$252,000 payment was
12 not a payment for catheters, but rather a check made payable to
13 defendant PAIK on July 25, 2014 from Prime Partners, which was
14 used by defendant PAIK to make an investment on Lee's behalf,
15 and which the trustee believed to be an unauthorized post-
16 petition transfer under Title 11, United States Code, Section
17 549.

18 11. The trustee negotiated a settlement with Lee and
19 defendant PAIK whereby Lee agreed to remit \$86,000 (the "Lee
20 Payment") and defendant PAIK agreed to remit \$166,000 (the "PAIK
21 Payment") to the trustee on behalf of the Estate, and Lee and
22 defendant PAIK each agreed to submit declarations under penalty
23 of perjury disclosing the source of the Lee Payment and PAIK
24 Payment.

25 //

26 //

27 //

1 C. FALSE DECLARATION

2 12. On or about July 23, 2015, in Riverside County, within
3 the Central District of California, defendant PAIK knowingly and
4 fraudulently made materially false statements under penalty of
5 perjury in relation to a case under Title 11 of the United
6 States Code in his declaration disclosing the source of the PAIK
7 Payment used to repay the Estate.

8

9

NICOLA T. HANNA
United States Attorney

10

11


LAWRENCE S. MIDDLETON
Assistant United States Attorney
Chief, Criminal Division

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

RANEE A. KATZENSTEIN
Assistant United States Attorney
Chief, Major Frauds Section

STEPHEN A. CAZARES
Assistant United States Attorney
Deputy Chief, Major Frauds Section

JOSEPH BEEMSTERBOER
Deputy Chief, Fraud Section
United States Department of Justice

NIALL O'DONNELL
Assistant Chief, Fraud Section
United States Department of Justice

ALEXIS GREGORIAN
Trial Attorney, Fraud Section
United States Department of Justice